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*Attorneys for Plaintiffs*

UNITED STATES DISTRICT COURT  
 SOUTHERN DISTRICT OF NEW YORK

-----X  
 ALESIA MILANESI, et al.,

Plaintiff,

- against -

THE REPUBLIC OF ARGENTINA,

Defendant.  
 -----X

:  
 : 07 CV 7248 (TPG)  
 :

: **DECLARATION OF**  
 : **JOSE EMILIO CARTAÑA**  
 : **IN SUPPORT OF MOTION**  
 : **FOR SUMMARY JUDGMENT**

JOSE EMILIO CARTAÑA declares under penalty of perjury as follows:

1. I am a citizen of the Republic of Argentina ("Argentina") and one of the plaintiffs in the above-captioned matter. I make this declaration in support of plaintiffs' motion for summary judgment as against Argentina. I have personal knowledge of the facts set forth below.

2. As set forth in the Complaint, it cannot be disputed that (i) I own the bonds upon which I have sued (the "Bonds"); (ii) Argentina has defaulted on its contractual obligations with respect to the Bonds; and (iii) I provided Argentina with written notice of default accelerating Argentina's payment obligations. Accordingly, summary judgment is appropriate.

3. Between December, 2001 and January, 2002, I acquired the Bonds that were issued by Argentina pursuant to a Fiscal Agency Agreement, dated as of October 19, 1994

(the "1994 Fiscal Agency Agreement")<sup>1</sup> in the aggregated principal amount of \$355,485 having the ISIN No. US040114GF14 and CUSIP No. 040114GF1. The Bonds are deposited under the name of my bank, Citi Smith Barney, and have been booked electronically by Citi Smith Barney in my name. A copy of my most recent account statement, for the period of October 1, 2007 to October 31, 2007, is annexed hereto as Exhibit 1. That statement indisputably shows that I continue to own the Bonds.

4. Notwithstanding its payment obligations under the Bonds, on or about December 20, 2001, Argentina announced an indefinite moratorium on the payment of principal and interest with respect to all of its foreign debt, including all payments due under the Bonds.

5. The declaration of the moratorium by Argentina and its failure to pay interest constitute "Events of Default" as defined by the 1994 Fiscal Agency Agreement.

6. In addition, Section 12 of the 1994 Fiscal Agency Agreement specifically defines "Events of Default" to include the following:

- (a) Non-Payment: the Republic fails to pay any principal of any of the Securities of such Series when due and payable or fails to pay any interest on any of the Securities of such Series when due and payable and such failure continues for a period of 30 days; or
- (d) Moratorium: a moratorium on the payment of principal of, or interest on, the Public External Indebtedness of the Republic shall be declared by the Republic.

7. Section 12 of the 1994 Fiscal Agency Agreement further provides that following either of the foregoing Events of Default, a bondholder may give Argentina written notice and declare "the principal amount of such Securities held by it to be due and payable immediately," together with all accrued interest.

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<sup>1</sup> A copy of the 1994 Fiscal Agency Agreement is annexed to the Complaint as Exhibit A.

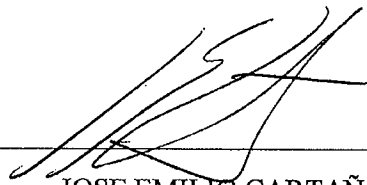
8. By letter dated August 13, 2007, I provided Argentina with written notice that I was declaring the principal and interest on the Bonds to be due and payable. A copy of that letter is annexed hereto as Exhibit 2.

9. Since then, Argentina has failed to make any payment of principal or interest to me.

10. By reason of the foregoing, Argentina has defaulted on its obligations, and summary judgment is warranted as against it.

I declare under penalty of perjury under the laws of the United States of America that to the best of my knowledge the foregoing is true and correct.

Dated: November 30, 2007

A handwritten signature in black ink, appearing to read 'JE Cartaña', is written over a horizontal line.

JOSE EMILIO CARTAÑA

# **EXHIBIT 1**

# Financial Management Account

## October 1 - October 31, 2007

Account number 395-23688-13 664

Your Broker/Dealer is

CITIGROUP GLOBAL MKTS INC.

Your Financial Advisor

JOHN ELWAW/MATIAS CAVALIERI

701 BRICKELL AVE

SUITE 1500

MIAMI, FL 33131

305-379-1000

www.smithbarney.com

FMA Client Services: 1-800-634-3855

Branch Phone: 800-327-0273

TTY/TDD Deaf &amp; Hard of hearing: 800-227-4238



AT SMITH BARNEY

Ref: 0000841 00004305

J07000000841 307304AG01 FGNFP001A

JOSE EMILIO CARTANA

CHARCAS 3233 PB A

BUENOS AIRES 1425

ARGENTINA

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### Account value

### Cash, money fund, bank deposits

	Last period	This period	%
Opening balance			
Money fund earnings reinvested			
Closing balance			
<b>Total value</b>			
Total value (excluding accrued interest)			

A free credit balance in any securities account may be paid to you on demand. Although property accounted for on our books and records, these funds may be used for our business purposes.

### Earnings summary

	This period	This year
Money fund earnings		
<b>Total</b>		

### Portfolio summary

	This period	This year
Beginning total value (excl. accr. int.)		
Net security deposits/withdrawals	0.00	0.00
Net cash deposits/withdrawals	0.00	0.00
Beginning value net of deposits/withdrawals		
Total value as of 10/31/2007 (excl. accr. int.)		
<b>Total return</b>		

### Gain/loss summary

	This period	This year
Unrealized gain or (loss) to date	\$ 0.00	

citi smith barney





# Financial Management Account

October 1 - October 31, 2007

Page 3 of 4

Ref: 00000841 00004307

JOSE EMILIO CARTANA Account number 395-23688-13 664

## Bonds

Unrealized gains & losses have been adjusted to account for the accretion of OID (original issue discount), the amortization of premium, and/or the accretion of market discount.

Call features shown indicate the next regularly scheduled call date and price. Your holdings may be subject to other redemption features including sinking funds or extraordinary calls.

The research rating for Standard & Poor's and Moody's Investors Service may be shown for certain fixed income securities. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting research ratings.

## International bonds

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Shares cost/ Adjusted share cost	Current share price/acquired interest	Current value	Unrealized Gain/(loss) Original/Adjusted	Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
355,485	ARGENTINA REPUBLIC GLOBAL BONDS-BK/ENTRY-DTD 08/19/2001 INT: 07.000% MATY: 12/19/2008 EXCHANGE RATE: 1.00000000 Amount denominated in: U.S. dollars Rating: CAYD	040114GF1		Please provide	36.25	\$ 128,863.31	Not available		\$ 0.00
Total international bonds			\$ 0.00	\$ 0.00		\$ 128,863.31	\$ 0.00** ST	0.00	\$ 0.00
355,485			\$ 0.00				\$ 0.00** LT	\$ 0.00	\$ 0.00
							\$ 0.00** ST		\$ 0.00
							\$ 0.00** LT		\$ 0.00

Please note: Amounts are denominated in the currency of the issue. Price is a function of exchange rate and market price.  
Market value is denominated in U.S. dollars. Changes in exchange rate will affect the "face value in U.S. dollars" and market value.

\*\*\*Unrealized Gain/Loss is only calculated when an original cost basis is available.

# **EXHIBIT 2**

# DREIER<sup>LLP</sup>

ATTORNEYS AT LAW

Cara S. Mittleman  
Direct 212 328 6119  
cmittleman@dreierllp.com

August 13, 2007

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

The Republic of Argentina  
c/o Deutsche Bank, as Fiscal Agent  
60 Wall Street  
New York, NY 10005

Attn: Mr. Stan Burg

**Re: Notice of Acceleration**

Dear Mr. Burg,

We write this letter on behalf of our client, Jose Emilio Cartaña.

Mr. Cartaña is the owner of certain bonds issued by the Republic of Argentina (the “Republic”) pursuant to a Fiscal Agency Agreement, dated as of October 19, 1994 (the “Fiscal Agency Agreement”). In particular, Mr. Cartaña is the owner of the following bonds issued by the Republic:

<u>Face Amount</u>	<u>ISIN No.</u>
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\$ 355,485	US040114GF14
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Pursuant to paragraph 12 of the Fiscal Agency Agreement, we hereby provide the Republic with notice that Mr. Cartaña declares the principal of and interest on the foregoing bonds to be immediately due and payable. The entire corpus and interest earned to date should be forwarded to this firm, as counsel for Mr. Cartaña.

Very truly yours,



Cara S. Mittleman

499 Park Avenue New York, New York 10022  
Telephone 212 328 6100 Facsimile 212 328 6101  
Los Angeles · Stamford · Albany  
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